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Deposited in DRO:

10 May 2006

Version of attached file:

Accepted Version

Peer-review status of attached file:

Not peer-reviewed

Citation for published item:

Amin, A. and Massey, D. and Thrift, N. (2003) 'The 'regional problem' and the spatial grammar of British politics.', Working Paper. Catalyst.

Further information on publisher's website:

Publisher's copyright statement:

Additional information:

This is a pre print version. The final article was published as Catalyst Paper 19 and was entitled: Decentering the Nation: a radical approach to regional inequality. It can be ordered from the address below.

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The “regional problem” and the Spatial Grammar of British Politics

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1 Introduction

One of the most persistent characteristics of the geography of Britain is the wide inequality that exists between its constituent regions. It is an inequality which has come to be known as the North-South divide, but this is a gestural term that refers to a geography which has in fact varied in detail and in form over at least the last two centuries. In the present period, in spite of many stated intentions and much government rhetoric to the contrary, it has on many measures grown considerably worse. Our argument in this paper is that it will continue to do so unless there is a more serious engagement with the power dynamics that underlie this fundamentally unequal and undemocratic geography: dynamics that continue to return London and the South East as the centre of the nation. A reversal of this situation demands a good degree of radical thinking and political courage.

We want to begin the fight against the spatial assumptions of most current thinking about the British polity, assumptions that are so familiar that they are hardly debated at all. One assumption we want to fight against is that London is the fount of all things ‘political’. Lots of commentators have, of course, wanted to argue that the United Kingdom is rabidly London-centric. But these same commentators then demonstrate how mired they are in a certain way of thinking by simply replacing a state containing a powerful central space that does most of the politics with a whole series of clones: little states with their own centres and political goodies – and their own peripheries. Second, we want to fight against that other opposing point of view, the assumption that the solution to this state of affairs is local democracy. We do not believe that ‘local’ is automatically a good thing, not only because modern British society is now threaded through with all kinds of politics operating at all kinds of scales but also because not only can local politics be just as mean-spirited as any other kinds of political activity but also such localism makes much more difficult any attempt at serious redistribution between places. At worst, it can lead simply to inter-local competition. Third, as by now we hope is becoming clear, we want to fight against the idea that politics has to be territorially

bounded. Rather, we are interested in spaces of relation in which all kinds of unlike things can knock up against each other in all kinds of ways.

One way to state our position is to say that we are interested in a mobile politics. But even this does not quite capture it. Rather, we are interested in critiquing a certain *kind* of mobility – the one which always passes through the capital, both in thought and deed. Just as the transport system, and so many other systems too, seem automatically to head for London, so the kind of mobility which we want to criticize also thinks that there is no other way of being. We want, then, to write about a different kind of mobility, one which doesn't have London as its head. We want to move on into a world in which centres are no longer quite so important because political power has been not so much *devolved* (which still assumes the presence of a centre) as *dispersed* (which does not).

Two particular threads of change are important to this reimagining of a mobile politics. One is the issue of the very conceptualisation of regions and “the regional question” in an era of increasingly geographically extended spatial flows and an intellectual context where space is frequently being imagined as a product of networks and relations, in contrast to an older topography in which territoriality was dominant. This raises huge questions: of what “the region” can mean in such an era and such a space; and of the relation both between regions and between the regional and the national and international. A relational understanding of space poses challenges both to the analysis of the causes of regional inequality and to the design of measures to combat it. Can one construct a relational politics to address a relational space? And how might that resonate with any proposed regionalisation of England, or regional devolution?

The other thread is that while the claims for regional devolution have already linked the economic with the political, it is evident that the UK in general, and England specifically, still have highly centralised geographies of power. There is such an integral relation between inequalities of power and economy, and the construction of the national space, that we would question whether regional devolution, as currently proposed, will make any serious in-roads into the nationally centralised geography of power. We firmly

believe that issues of regional inequality and what we call the spatial grammar of democracy in Britain are linked to such a degree that more radical action is needed.

However, in arguing against the centrality of London and the South East, we are not making the claim that the whole of this region is wealthy or powerful. Indeed one of our concerns is to address the systematic production of poverty and exclusion within the capital itself. Nor is the notion of “region” meant to signify some kind of bounded territory. It is crucial to our argument that “space” (the national, and international, geography) is understood in terms of flows and interconnections, as well as boundaries. Thus “the South East”, as we would argue is any region, is a nexus of relations and connections, changing its geography over time as those relations change, and changing its distinctiveness too (ref: *Rethinking the Region*). For the moment let us say that something called “the South East” in our meaning of that term stretches discontinuously between extremities in Cambridge in the east and Bristol in the west and that, although there is no single coherent “regional economy”, there is much which ties it together, even in its openness. Those things which it shares include above all the central dynamic of London.

We begin the paper by showing that the London-centrism of the British polity is such an enduring feature that it has now become ingrained as the template for doing politics. The grip of London is so strong that in the first part of the paper we are forced to produce a fairly extensive archaeology of its composition, before we can show the ways in which it continues to return, now, in a different form because of the rise of the mass media of the latter half of the Twentieth century. The resulting inequality is echoed in the way in which the politics of the regions is now conducted. In the second section, which considers the continuing economic power of this metropolitan area, we argue that this region’s grip on various dimensions of national politics and policy contributes significantly to regional inequality in the UK, and also perpetuates huge inequalities within the area itself. In the third section, we show that the various measures which are currently being used to ameliorate some of the most malign effects of regional inequality are largely ineffective because they still assume the centred spatial grammar that is at the root of the regional problem. Since they cannot get beyond that grammar, they cannot get

into policy territories which might produce an effective counterweight. So, for example, we argue that contemporary regional policy and institutional reforms such as development agencies and some of the other paraphernalia of economic devolution, are not equal to the task. In the final sections of the paper, we go on to develop a set of alternative proposals that presume neither London-centrism nor devolution. Instead, we make the case for a dispersed polity that has no special centre. The result is that different parts of the country can play equal roles in the conduct of the nation. This involves shipping 'national' institutions out of the London region, certainly, but it also means breaking the hold on political thought and action that London currently has, by producing a patchwork of different political mobilities which are able to revalorise the local by bringing it into a new relation with the national. We believe that the measures we outline will benefit not only the regions outside London, but also London itself, by removing so many of the strained political relationships which now characterise political life in the UK, and by improving the general quality of life of the metropolis and its region.

Our stance is therefore quite straightforward. We believe that Britain cannot count itself as a real democracy when different parts of the country have different political weights attached to them. So this state of affairs must change, and this paper outlines how that change can be brought about, bringing say to the many parts of the country which currently have no say.

2 Does politics have to be territorially defined?

One of the conundra which encapsulates this tight relation between geography and power is the following: how is it that the Labour Party, in the main elected by people from outside London and the Southeast, should so quickly have fallen under the spell of London and the Southeast, so that Labour nowadays feels almost irrevocably metropolitan? It is easy to come up with all kinds of explanations, of course, from the pull of the bright lights to the personal histories of so many MPs. But, increasingly, we have come to the conclusion that Labour's London-centrism was pre-ordained by a way of thinking about the British political space which has become so engrained in the British

psyche that it never occurs to anyone to think that there is a political battle to be had. Why might this be so?

2.1 Towards a politics of circulation

In this section, we argue that British political life has a distinctive spatial grammar which lies at the heart of the unequal distribution of power that has plagued these shores for so long. Indeed, since it colours nearly everything that happens in Britain – because it provides the spatial metric which measures out what is politically significant and what is politically insignificant – it may even *be* its heart.

We are talking here about the divide between that very small part of London in which political decisions are made about the rest of the country – and the rest of the country. The genealogy of this divide is clear enough; it comprises elements of the old court and its social appendages like the season (in which aristocrats came to town for set periods of time) taken over into political life. It also has elements of the old parliamentary set-up in which executive decision was legitimated by parliament. More generally, it illustrates the distinctively dominant character of London in British history. Most countries have a capital city; few countries have a capital which has been so presumptively dominant for so long. Whatever the case, the upshot is clear: a remarkably small area of the country – no more than a few square miles at most around Westminster – produces most of what the country now counts as formal politics. Measure and measured coincide in one place.

2.1.1 Supplicant political spaces – And how to avoid them

London has always counted as the primary node of British political life. But, as many commentators have pointed out, under New Labour – a party with most of its MPs representing constituencies outside London, and with many of its roots in the North – that primacy has, if anything, increased. Why should such an apparently non-metropolitan party cleave to the spatial values of the old regime?

We want to argue that the reason for this odd state of affairs is a spatial structure which has been allowed continually to re-assert its will to centralisation, repeating over and over again what might be called a ‘courtly’ structure. The courtly structure is a deeply engrained set of spatial political habits, concerning where power is located and how it is therefore constituted, which underlies much of British political life. Indeed, we could go farther and argue that this courtly structure has never been able to throw off the imperial habits that it learnt in the days of Empire. Though the Empire has now gone, London’s relationship with the rest of Britain remains that of an imperial city (Driver and Gilbert, 1999). And our quarrel with this structure is straightforward: it is exclusionary (in that it casts off much of the British polity from any real chance of political influence), it is colonial (in that it continues to produce subaltern relationships) and it is therefore demeaning (in that it produces a supplicant relationship with the metropole).

How might this situation be changed? To understand this requires a little history, primarily in order to show just how deeply engrained in the British political psyche this spatial structure is.

2.1.2 A brief history of British Political Space

British political space is still monarchical; that is, it is modelled on a sovereign political entity to which the polity pays homage in particular places, and especially some parts of central London. Social differentiations have tended to ossify around this geographical structure, providing spatial refrains that echo down the ages. Two instances of this ossification will suffice to make the point. One is the current class structure. Although that structure may have changed in some important ways, it still remains centred on London and this supremacist spatial structure is in turn a means of reproducing many constant elements of class. Thus, the British upper middle class is still overwhelmingly educated in and remains living within the orbit of London. Current patterns of class mobility only add to this brew. For example, young graduates are so likely to get their first job in London and the Southeast that the region is often called an ‘escalator’ region (Fielding et al, 19xx). The available data shows that to get on still

means, Dick Whittington-like, having to go to London to work. And one more element also needs to be added in. The concentration of the British upper middle class in London and the Southeast is also an ethnic concentration – of white people.

A second instance is the social round of the upper middle class, sometimes called ‘the Season’. In the eighteenth and nineteenth century, the Season was the set of social practices through which the British upper class came together and recognized itself by migrating to London at a set time of the year. Lasting from the end of April to the end of July or the beginning of August, the Season was a series of carefully structured social events (Thrift, 1996) which assumed location in London and the Southeast: the main events of the Season like the Royal Academy Show, the presentation of debutantes at Court and the numerous private social functions were all located in London and forays outside the metropolis were rare and largely within the southeast (the Derby in early June, Ascot later in the month, the Eton and Harrow cricket match and the Henley Regatta in July). Of course, this round never quite fitted the times assigned to it: there was Cowes in August, hunting, shooting and fishing over the late Summer and into Autumn, and so on. Though the exact social make-up and events of the Season have now changed, it still remains, courtesy of corporate hospitality, a key means of building class solidarity, albeit a class of a more diffuse kind. Those who circulate through the set of sporting, social and cultural events that now go on all year round, are part of corporate elites who are able thereby to affirm their presence in the world as important. And the location of these events is still overwhelmingly in London and the Southeast. The very landscape therefore reciprocates, echoing back economic and social power.

We would argue that the practices of democratic representation have not changed this situation as much as might be thought. So, for example, when Parliament was first set up, it was on the basis of journeying to London¹, and specific periods in which

1 Interestingly, of course, at various points in British history, because of the plague and similar events, parliament has sat outside London, showing that there is no de facto reason why London has to be the location for parliament.

Parliament would sit, a structure which still continues. Similarly, the tempo of the accompanying social round still has peaks and troughs which are recognizably the ancestors of previous times.

But this space and time is not just a national one. There is also *within* London a space of concentrated political interaction, that space around Parliament and Westminster, which again echoes down to the present. So the series of salons and other meetings held in Victorian London has been replaced by a series of associated parties, receptions and meetings in restaurants held on the first four days of the week which constitute a potent form of power-broking in themselves, as well as a key source of social cohesion for the political class. This is a spatial structure of political talk which is, in the strongest sense, a privileged version of the world and its events and one of the key ways in which the 'political' is constituted in Britain. This point is worth expanding upon.

The extraordinary dominance of this small space of political performance rests on five interlocking sets of institutions. First, nearly all the main executive instruments of government are located in this one small area (Figure 1), within about ten minutes walk of one another (Hennessy, 2001). Endlessly circulating around and paying homage to the presidential core of the Prime Minister's Office, the Cabinet Office and the Treasury, this is a kind of political village. Indeed it is often described as such by the press. Second, this area also includes all kinds of ancillary institutions which nowadays are often regarded as a necessary part of the political process and, most especially, all the lobby companies, political consultancies, and press and public relations offices which since the 1970s have come to make up the 'promotional culture' of the political public relations industry (Miller, 2000). The concentration of these institutions is sufficient for some to argue for the rise of the 'public relations state', as typified by the person of the 'spin doctor' (Schlesinger, Miller and Dinan, 2001). Third, and hardly surprisingly, the political media spend very large amounts of time in the area. They have special television and radio studios. They have briefings by government functionaries (especially in the laddish atmosphere of the lobby). They have well-travelled lines of connection. The press and the other reporting media have an increasingly symbiotic relationship with politics through

this space and they are involved in a continuous set of interactions in which politicians attempt to control journalistic output and journalists attempt to get stories that have some measure of depth. Very often, this means all kinds of covert deals and dispensations mediated through close but calculating social relations. For example, politicians may have favoured journalists to whom they leak selected stories (Jones, 1995, 1999). Fourth, the Houses of Commons and Lords are also important sites in this space, not so much as legislative bodies but as clubby means of circulating and interpreting information. Fifth, there are the numerous institutions of general sociality through which contact is made and maintained; restaurants, bars, clubs, and so on. These institutions are important in their own right as both lubricants and means of gaining influence.

Mobilising all these different institutions is a constant hum of talk. This talk is not incidental. It is constructive of what politics is; stories, gossip, rumour, unattributable conversations, presentational messages and battles, who knows whom, general spin. In many ways, it is the elemental stuff of contemporary British politics.

What this adds up to is a series of privileged communities/conversations, a web of contacts which form in and about this area and for whom the area is an enormous rhetorical resource. These communities constantly meet at parties, receptions, restaurants, in a constant round of information-gathering and dissemination. It is a small community (for example, there are probably no more than 300 key political journalists and commentators) through and by which stories are told about what is going on which become privileged interpretations of events since they come, so to speak, branded by their provenance in the area¹. Fictions become firmly-based facts. There is one political-spatial 'brand', a presentation of the political which is superior to all others.

So, social interaction and political power are continually connected and continually reinforced by this introspective space. In turn, this connection produces a group of political insiders who have privileged access and knowledge. New Labour seems

1 If journalists and politicians want to meet secretly, they are often advised to go to restaurants outside Central London where they are less likely to be seen by anyone who will know them.

particularly prone to the tendency to perform this London-based structure of political talk as a privileged, inclusive mode. Indeed, it often seems to know no other land. Part of the reason for this is quite clearly the traumatic experience of its many years out of power and the consequent re-orientation to presentation and opinion polls, a re-learning of the art of politics which was incarnated in icons like Millbank, Alastair Campbell, data systems like Excalibur and so on. And part of it stems from a profound distrust of that which is not central, as in the case of local government (and especially, ironically, London local government) (Gould, 1998, Macintyre, 1999).

Whatever the reasons, we believe that this talk machine is profoundly exclusionary; it is clearly semi-colonial in nature, it relates chiefly to itself and, insofar as it relates to other parts of the country at all, it does so chiefly as a means of bringing information back 'home'. This space is a classic centre of control. For what it does is bring information back to the centre and re-process it. The rest of the country provides political events which are then commented upon. All events are described in terms of their relationship to this centre, rather than the other way around. And there are consequent rewards for insiders at the expense of 'spatially displaced' outsiders who are not 'in the know'. So it is that a small number of reporters and commentators, interacting all but continuously with politicians and their press officers, sets the political agenda of the country in a feeding frenzy to which distance is never allowed to lend disenchantment.

Yet what is remarkable is how little this machine is ever commented upon, except when scandals periodically erupt (at which point it is usually coded as 'cronyism' or 'spin' which does not take into account the structural nature – including its spatial structure – of what is happening). It is seen as a natural state of affairs; an unproblematic geography. But we believe that this machine is a serious problem for a democratic country since it automatically decides what does and what does not matter and this significance is defined in terms of the concerns of a very few people in a very small space. And the smallness of the space reinforces the relative power of the few. It is not so much blind as only able to see in very particular ways.

Sometimes, indeed, this talk machine turns completely in on itself. Recent political scandals are a good example of this. They are the artefact of a media machine which talks only to itself and which produces many of the news items which it then devours. Press officers, politicians, reporters, civil servants all gather round an object which, powered up by a general tendency to capture all issues in the vocabulary of celebrity, can be endlessly and enjoyably dissected while genuine national priorities escape scrutiny (Thompson, 2000). This is the modern version of courtly life: the rest of the country looks on (or, given recent surveys of interest in political events, turns away, producing a corrosive state of apathy and indifference) as a ‘retinue of place-persons, busybody-groups, quangos, advisers, think-tanks and opinion moulders’ (Nairn, 2002, p68) struts its stuff for the umpteenth time around and around the small same space.

3 The Role of London and the South East in Regional Economic inequality

This concentration of political power (this social and spatial constriction of the democratic sphere) is a crucial force in the production, in turn, of regional economic inequality. All too often in policy circles regional “disadvantage” is both explained and addressed in terms of regionally-located “inadequacies”. While there is no question that there are geographical differences in the potential for (current forms of) economic growth and in the way that that potential is mobilised, to concentrate solely on such endogenous factors is to ignore that relational construction of space of which we spoke at the beginning and which was so apparent in the preceding section’s analysis of the political. There are a number of elements to the argument here.

In the first place, London is the site of economic as well as political power (and the two are not unconnected). Most evidently, it is the location of the City, seat of global and national financial power, and of weighty political and economic influence. Over the last half century this concentration of financial power in London has been augmented by the increasing locational centralisation there of the HQs of corporations in all economic sectors. Finally, and perhaps less often noted, London is the presumptive location of “the

national”. It is in this sphere that the political meets the economic meets the national imaginary. They are intimately intertwined, and this is part of our point.

The North-South divide today is really one between London and the South East and the Rest of the country. There is no simple line which divides these realms of the country; and the map of power which sustains it, although persistent in its focus on London, nonetheless shifts historically. Since the middle of last century (perhaps more specifically since the 1960s) a number of historical trends have coalesced to reproduce the divide in somewhat changed terms. There has been the long redirection of the country’s outlook, in terms of physical trade, from Westwards to South Eastwards, from Atlantic to Europe. There has been the decline of sectors of production once central to the livelihoods of so many regions in the north and west (textiles, coalmining, shipbuilding, branches of engineering, employment in manufacturing more generally). Trends such as these are difficult to address, let alone reverse, and we shall not be suggesting that we could or should do so. There is no question, then, but that the long historical reproduction, in changing but persistent form, of regional inequality in this country has some of its roots in major historical shifts. However our argument is that these long trends have been acutely exacerbated by social and political forces which could have been (and could still be) different. The North/South divide is not just a result of “market forces”. In particular it is aggravated by the spatial concentration of political and economic power and influence into London/the South East. One of the effects of this acute spatial grammar of power is that much of what is commonly supposed to be “national” or “a-spatial” policy in fact has geographically unequal effects which persistently favour one corner of the nation. The reading of the country from that one corner leads to an endemic bias, and to a *misreading* of large swathes of the national polity.

3.1 Dimensions of London bias

First, macro-economic policy in this country is run from the South East of England. The perspective which guides it, the vision of the economy which informs it, and the lobbying voices which it most frequently and most powerfully hears, are those of London

and the South East. The story is a long one and one which has been often told. There has been the domineering influence of the City, and the relative difficulty for productive sectors to get their voices heard: the arguments over interest rates are a frequent reminder of this persistent tension within the British economy and, as is well known, it is a tension which has a well established geography (and one which, incidentally, belies those frequent assertions that London is the unproblematical “driver” of the national economy). The infamous “job losses in the North are a price worth paying” was only exceptional for being explicit. The long-term tendency has been to shut the economy down in response to over-heating in the South East, when large swathes of the north are barely warm.

And the bias also runs through less obvious strands of government economic thinking. The current commitment to making “the knowledge economy” the centrepiece of so much national economic strategy is a clear example. In this case: (i) the very stress on this view of the economic future reflects a south eastern perspective; (ii) because of the capital’s “strong political and business base” there is a glaring regional divide within the knowledge economy (see, for instance, the Local Futures research reported in Loney, 2001); (iii) this divide in itself further worsens North-South disparities as the brain-drain of graduates to London/South East accelerates; and in consequence, (iv) part of the skill-base in regions other than the wider south east is further eroded, thus rendering future regeneration more difficult.

The influence of the London/South East perspective takes other forms too. Mrs Thatcher’s period in office was distinguished by, among other things, a quite blatant admiration for some of the characteristics of (parts of) the South East (competitiveness, entrepreneurialism, a lack of unionisation, a certain kind of brash masculinity) in contrast to cultural characteristics which she despised (collectivity, a commitment to the social, membership of trades unions) in other regions. [See Rethinking the Region on aspects of this.] New Labour is not so different; it is one aspect of the dogma that there is no alternative; there is only one way, only one viable culture of the economy. And the view from London and the South East which dominates the mindsets of our supposedly ‘national’ policymakers crops up in a thousand other minor, but symptomatic, ways as

well. In January of 2001 New Labour policy advisors faced public derision and a revolt by northern MPs at their plans to require people selling their homes to obtain a ‘seller’s pack’ estimated to cost between £300 and £400 to produce. This proposal was drawn up to stifle gazumping. The housing market in the south and east had been booming. But in parts of the invisible North, and areas of northern cities, where houses could barely be sold, gazumping was hardly the most acute of problems. This was a clear and comical example of what is an underlying and serious phenomenon: that macro-economic and “a-spatial” policy in this country is run from and through the perspective of London and the South East. And London and the South East benefits from that.

The same bias is evident, *second*, in individual investment decisions made at the national level. National strategies for infrastructure, perhaps most particularly rail and airport infrastructure, are continually made not only on (questionable) predictions of growth in the south east but also with the effect of further encouraging that growth. Current airport plans have been dubbed a massive regional policy for the south east (Tomaney), while transport possibilities beyond that region, such as in the Trans-Pennine corridor, are consistently deprioritised (Robson). In the week of his Urban Summit, a programme of policies for cities throughout the country, John Prescott announced four huge new urban areas, for the south east. (The recent confirmation of this, and its coupling with relatively trivial funds to rehabilitate northern housing, makes clear the government’s real regional priorities.)

The Daresbury saga provides a further illustration of this bias. This involved the siting of a new synchrotron, a significant investment in scientific research. It was to be a major facility with significant employment implications and in particular for highly skilled professional scientific employment. Daresbury, in the North West of England, had the previous generation of synchrotron and the wider region still contains one of the most important concentrations of scientific research and expertise in the country. A decision to locate the new facility there would have had significant multiplier effects within the region, it would have retained and reinforced an internationally important regional concentration of scientific work, and it would have done a little to stem the current brain-

drain of graduates from that region to London/South East (see later). This was a major international venture: its location in the North West might even have changed, just a little, the national geography of scientific power and influence. There was a strong lobby and a very strong scientific case. The New Labour government decided on ... Oxford. In the debate over a subsequent project, the cultural framework was made clear (*Regeneration and Renewal*, 05.10.2001): as local MP Louise Ellman put it: 'The money invariably ends up in the South-East as that is seen as the "normal" place for science to be'. Her argument continued that 'The only way to address this problem long term is to set up regional authorities'. Actually, we believe that something far more drastic, and imaginative, is needed.

There is, then, a government assisted process whereby economy and society, particularly along their dimensions of power and status, are increasingly drawn into the ambit of London and the wider south east.

Third, the assumption that London is the unquestioned site of "the national", and thus of the majority of significant national icons, not only reflects the map of political power but also has significant inter-regional economic effects which go way beyond those which are usually cited (such as tourism). The fact that such icons are 'national' frequently means they get at least an element of 'national' government funding – a subsidy to London and the South East. And the following through of a similar logic has meant that Lottery funding too has gone disproportionately to this region. Thus, take just one example: spending on museums. Over the second half of the 1990s museum spending per head of population was £9.59 in the South East. In the North East of England and in the East Midlands it was 6p. The region receiving the second most was the North West, but even that only got £2.63 (report in the *Guardian* of research published in *Cultural Trends; The Guardian*, 19.03.01). This does not only mean that London and the South East get more museums. There are museums in other regions too, but they are not 'national' flagships. The cultural industries are widely argued to be a key potential focus of urban regeneration, and regional museums are an important element of that. Regional museums have been pleading for more money. And yet the response has been, as the

report goes on to say, that ‘The gap should be filled by local authority spending’. And indeed local authorities have set about doing this, but once again, London and the South East are subsidised over the Rest of the country.

The examples are endless. The Wembley saga for instance: the possibility of having England’s national football stadium outside of London, or even – better still – not having one at all, so that as in Germany the national team becomes peripatetic. That would be entirely within the spirit of our thinking here. But no, it ends up in London.

Fourth, there is a whole host of other “general” policies which in fact fall unequally upon the different regions. Let us cite as just one example a tax regime with no progressive element at the upper end and which, in consequence, pours further money into the south east as a result of that region’s concentration of very high earners. Discussion of the recent statistics, demonstrating how the growth in incomes of the very highest paid has dramatically increased national inequality failed to point out that this inequality has a geography. And, as we shall go on to show, it is a geography which has serious repercussions.

These different effects of the concentrated geography of power in the UK ensure the reproduction of regional inequality. The bias within economic policy and government expenditure decisions means that a significant element of ‘national’ policy making effectively functions as an unacknowledged regional policy for the south eastern part of England. To imply, as so much political rhetoric does, that London and the South East ‘succeed’ somehow by their own intrinsic qualities while the other regions of the country are somehow inadequate and thus in need of aid through specifically directed policies is a gross distortion of the truth. It ignores the relational space in which these interdependent regions are set, and it ignores the fact that London and the South East receive massive regional aid: we just don’t call it that.

Moreover, the concentration in this favoured region of City, Headquarters and politics both is self-reinforcing and has further sectoral implications. From business services to posh restaurants, to the regional bias in Research and Development and defence expenditure, the results are well documented. Thus the Local Futures Group

research pointed to two glaring characteristics of the British economy. First that ‘the knowledge economy’ is overwhelmingly – as a proportion of all jobs – concentrated in the south east (*see Figure A*) and that that in itself was a response to the political and business dominance of the capital. And second that there is a scandalous brain drain of graduates to that region from the rest of the country (*see Figure B*) (information from *Regeneration and Renewal*, 06.07.2001). What is more, the report adds that the knowledge economy beyond the wider south east ‘is underpinned by the public sector’. The conclusion it then draws from this is however bizarre: that the public sector should be ‘de-institutionalised’ to be more like the private sector. The real message is far more serious: that it is only the public sector (through health and education for instance) which maintains demand for decent graduate employment in what are usually called ‘the regions’. (This is a point which has been recognisable since the 1960s: the narrowing of this element of the regional divide, especially for women, in that decade was due precisely to the social democratic aspects of Wilson’s policies – the expansion of the welfare state.) In other words, left to its own devices, but with a continuation of the south east bias in national policy-making, the private sector would have drained ‘the regions’ of even more graduates than it does now. Note, moreover, that these figures immediately give the lie to any argument that the north and west somehow owe their laggardly economic growth to a lack of home-grown skills. The point is the opposite: that the geography of the *production* of graduates is far more even across the country than is the geography of their *employment*. In the same journal, just a fortnight later, there was a further report, on yet another study. ‘Skills gap holds up South-East’s growth’ ran the headline (*Regeneration and Renewal*, 19.01.2001, p.11). Skills Insight’s skills and economic regional bulletin had revealed that skills shortages in the South East were dire. At its grossest, and in terms of these dimensions, the national geography of this country could be set to juxtapose two interacting circles: the one in London and the South East is, in terms of economic growth, a virtuous circle. And part of what it feeds off – and thereby further denudes of the possibility of growth – is the rest of the country. The contradictions in this situation are only rendered even more acute when Gordon Brown

expresses the view that regional regeneration should be led by the knowledge economy. In the face of all this, RDAs stand little chance of seriously addressing regional inequality. The only serious way to tackle the issue of regional inequality is not to adopt post-hoc policies of compensation but to intervene in the dynamics of its production.

Moreover, the cycle – of course – does not stop here. For these processes in turn have further implications. We shall analyse some of these further ramifications (which are both positive and negative even for London and the South East) in greater detail below, but just two examples here. For small firms which own their land or property regionally differentiated gearing ratios on property can make it far easier in London/South East than elsewhere for small companies to raise new capital. Or again, there are the effects of regionally differentiated house prices. These bring vast capital gains, and thus further advantage, to some of those living in the South East, further feeding “the escalator effect” of that region. It further sharpens both North/South and national inequality (imagine a parent in Burnley buying a flat for their child newly admitted to London university), and, of course, it contributes to the difficulty of keeping London itself running. And it is to this last issue that we now turn.

3.2 London and the South East: the most unequal region

The forces just documented do not, however, produce a situation in which there is a simple conflict of interest between London/South East and the rest of the country. Indeed, many of them plainly have *problematical* repercussions within the South East itself. This is indeed a crucial part of our argument and we shall return to it below. For the moment just note that those problematical effects fall in particular in two ways. First, they are imposed on those within London-and-the-South-East who are *not* part of the wealthy or the power elite, those who have not got on the magic roundabout, and who thus find themselves, on national average wages or below, faced with a higher cost of living. (The Skills Insight survey quoted earlier also found that 22 per cent of the working population in the South East have poor literacy and numeracy skills and are unable to write to the standard of an eleven year old.) Second, the problematical effects of this voracious vortex

of growth in the South East revolve around the difficulties of social provision: the well-known difficulties of funding an adequate public sector, and in particular of surviving on public-sector wages within London/South East. (Skills Insight again: the same study showed that skills shortages in the South East are particularly dire in the public sector, with vacancy levels running at 25% above the national average.) Indeed there is a case for arguing that the ‘problem region’ in this country is the south east, defined in the wider way that we have proposed. In order adequately to address ‘the regional problem’ the problem of the south east – the nature of its growth and the nature of its relation to the rest of the country – must be confronted.

As we have already intimated inequality does not exist only between these two broad regions of the country. Mostly notably, from the point of view of this debate, there is both inequality and serious poverty within London/South East. This is the basis of some of the attempts to divert attention from regional issues. It is also a phenomenon frequently pointed to by those with political power in London (see, for instance, the current London Economic Strategy and Spatial Strategy [London Plan] documents). This issue therefore needs to be addressed head-on. First, there are of course disputes about the figures. As in so many cases it seems possible to aggregate them in such a way as to support virtually any argument about which inequality/poverty is ‘worse’. Second, though, we would argue that this kind of dispute is beside the point. Far more important is to examine the causes and nature of the poverty and inequality which does exist within London. For one thing is certain: that these causes are in some ways crucially different from the causes of poverty in the cities of the Rest of the Country.

London is the most unequal city in the United Kingdom, and the South East is the most unequal region. The ‘European Spatial Development Perspective’ (European Commission, May 1999) in its survey of regional disparities in GDP per capita produces figures which demonstrate two things very clearly: *first* that on this measure the UK has the greatest degree of regional inequality and *second* that the main reason for this is the concentration of GDP per capita in London (Figure 1, p.9). In this characteristic, London is not unlike some other ‘World Cities’, especially in the USA. Indeed such inequality

has been deemed to be a classic characteristic of World City status; certainly it seems to be a persistent concomitant of current Anglo Saxon/neoliberal World City strategies. There is a structural tension which runs through the economies and societies of these cities. Probably the most frequently occurring sentiment in documents considering our capital city is that ‘it is an enormously successful city but there remain areas of unacceptable poverty’. One might immediately raise the obvious question of how ‘success’ is defined: can it legitimately be said to have been achieved when such poverty remains? Beyond this, however, is a further point: that it is the very nature of this so-called success which in part has entailed the production and persistence of poverty.

The tension at the heart of London’s economy runs between those sectors at the core of its current status as a World City and parts of the rest of its economy, society, and geography. In current practice, and in the plan for London’s future currently being produced, the capital’s World City status hinges predominantly and quite narrowly around finance. But the structural dominance of finance within the city’s economy and geography (and, occasionally, polity) is in some ways quite problematical. Through a whole range of repercussions it places constraints on, and presents obstacles to, growth – sometimes even survival – in other parts of the economy. The most evident channel for this effect is the land market: a whole range of economic activities which in production terms alone would be perfectly viable are unable to function in London on account of the high cost of land/premises. Such costs affect their employees too, through housing, and thus potentially the cost of labour. Both companies and employees pay a variety of costs of congestion: in time, money and quality of life. The severe difficulty of maintaining an adequate public sector, not to mention a whole range of interstitial services, is endlessly documented. These things lead to an increase in poverty and an exacerbation of inequality. They mean that poverty is a different experience (living in the same city as the rich) than in other parts of the country. The recent report on child poverty demonstrated quite clearly that the high rates in inner London were a product, in large measure, of the knock-on effects of *inequality* within the capital. Or again, there are the effects on the labour market of the currently dominant form of London’s growth. Since 1992 virtually

all the increase in full-time employment in the capital has been in occupational groups which require a university degree or equivalent. Resident Londoners without such qualifications are in consequence simply by-passed: “not relevant” to the central dynamic of the capital’s economy. London’s inequality is thus further sharpened. The new jobs are partly filled by graduates pulled in from regions beyond the south east, which are as we have already pointed out thereby deprived of an essential ingredient for regeneration, and which are in consequence by unthinking government ministers chided for their supposed “lack of skills”. The ironies are tragic.

In other words some of London’s problems either derive from, or are heightened by, the particular nature of its World-Citydom. They do not derive from people being excluded from its growth (the phraseology so often adopted); rather they are an integral part of the nature of that growth. Moreover, they are part and parcel of the processes which reproduce the North-South divide.

3.3 Redistribution yes ... but within London

There follow from this a number of implications. In relation to London itself there is clearly a need for a strategy which at minimum would take on board a wider definition of what being a World City might mean (it could broaden the range of sectors included, thus shifting – depending on the sector – the social, economic and geographical implications). More boldly it could actively engage in redistributive policies within London and the South East. It is now generally acknowledged by those doing research on urban problems in this country that if what ‘the cities of the north’ need is regeneration, what London needs is redistribution (references: Hall, ESRC, Parkinson). Most boldly of all it could take a still wider remit (including the very relations which constitute it as a World City) and ask what it might mean to be, in this era of globalisation, a socially responsible World City.

Our concern here however is the inequality between London/South East and the Rest of the Country. Given what has been said above, it is clearly *not* the case that the latter owes London a living. Not only, as we saw in the preceding section, does London benefit

from national policies, but the problems of inequality and poverty within London stem in part from its own dynamics. In that context, the various claims that northerners (Liverpool? Rotherham? Oldham?) ‘owe London money’ are simply obscene. The redistribution needs to be within London itself. The likes of Oldham, looking South, might legitimately point to the longstanding juxtaposition of ‘City’ and ‘East End’ and tell London to put its own house in order.

The contradictions in this situation are enormous and multiple. The South East Regional Assembly has ‘warned of a crisis in services if the review [of spending formulae] ... questions the so-called area cost adjustment which compensates south-east councils for the higher cost of living to the tune of £700m annually’ (*Guardian*, 12.09.01). In other words the rest of the country should subsidise London for its virtuous circle of growth? *The Evening Standard*, in a hilarious editorial entitled ‘An odious comparison’, began with ‘It is an urban myth that Londoners are well-to-do and generally living high on the hog by comparison with the rest of the nation’ (12.07.01), the basis for this being that whereas ‘Londoners may earn more than people in other parts of the country, their costs of living are very much greater and their quality of life is in some respects significantly poorer’ (it goes on to document the usual woes). ‘Very far from being flash and overindulged,’ it concludes ‘Londoners get a raw deal by comparison with the rest of Britain’. Responses might include (i) why should the rest of Britain pay the costs of London’s success and (ii) it would be good to see more appreciation of the inequality of these costs: while the worsening of the quality of life may be more or less equally shared, “Londoners’ higher wages” are clearly not.

Rather than a redistribution from the North to London, what is needed is redistribution within London itself. Likewise, the plethora of current measures to keep London going (from affordable housing, to temptations for “key workers”, to London weighting allowances) will do nothing to deal with the structural problem. They represent a patch-and-mend short-term approach which will never be satisfied because it will constantly escalate. It cannot amount to a coherent way to run a city. Rather than

constantly feeding London's growth by a succession of special measures, the underlying dynamic of regional inequality needs to be addressed directly.

Indeed we would argue that London itself could be a more 'successful' city if it were set within a more regionally equal national economy. And national growth and productivity would be increased if there was more than one economic "driver" recognised and promoted within the national geography. London needs there to be a strong national regional policy, and a regional policy (not like those of old) which focuses on those dynamics (such as the concentration of power) and those sectors (finance, government departments, headquarters ...) which are producing the tension within the city itself. A number of the present difficulties of London and Londoners would be eased were the UK economy to be more evenly spread between its regions. A strong regional strategy (i.e. a more nationally egalitarian one, countering the present bias towards London/the South East) would help relieve both pressures of congestion and the specific tensions of its peculiarly narrow form of World City status. The effect would, in particular, be to ease the pressures on non World City parts of the capital (and perhaps even to allow others to flourish): to reduce costs to a range of sectors of the economy; to dampen overheating in particular geographical areas; to rebalance the labour market; to ease the threats to the cost of living and quality of life of the majority of Londoners. Indeed, the measures by which London claims its 'success' might then be broadened. If measures of quality of life and of distribution (equality) were included, a stronger regional policy could help make London a more genuinely successful city.

4 A New Regional Policy

A stronger and reworked regional policy is clearly needed to address the North-South divide. But what would an alternative look like? In what follows we question the government's approach to regional inequality, which requires 'underperforming' regions to compete their way out of disadvantage through bootstrapping reforms aimed at mobilising endogenous potential. Locally-orchestrated regional development has replaced nationally-orchestrated regional policy. Our argument is that this approach fails

to grasp that regional inequality/disadvantage is the product of a long history of imbalanced inter-regional relations and the profound spatial concentration of power. Instead, we propose a radically different approach that places strong obligations on the centre to disperse itself, so that the regions can themselves be effective national players in an economy and polity without such a strong, and colonial, geographical centre, and where regions can look to external connectivity too for economic regeneration. We propose a more relational grammar of politics.

4.1 New Labour's new localism

Since coming to power in 1997, New Labour has made it clear that it has no desire to return to the pre-Thatcher legacy of using redistributive measures to stimulate growth in the less favoured regions (LFRs). It sides with the view that the over-reliance on regional incentives fostered a culture of dependency in the regions and failed to encourage self-sustaining growth (e.g. by attracting corporations with few local ties), while controls on investment in the prosperous regions dampened national growth and its supposed 'trickle down' to the regions (HM Treasury, 2001).

The approach now, very much in accordance with thinking in the OECD and European Commission, is to tackle regional inequality by unlocking the 'wealth of regions' through strategies that are locally-led (HM Treasury/DTI/ODPM, 2003). The approach is supply-side in philosophy and, true to Third Way thinking, rooted in giving the regions a hand-up rather than a hand-out. Thus, the policy emphasis is on indirect measures to boost local economic competitiveness, including programmes to stimulate innovation and learning within firms, strengthen clusters of inter-related industries, and upgrade the infrastructure for education, training, knowledge transfer and communication. Such upgrading of the local milieu for business is expected to couple the growth of firms to the growth of regions, through local interdependencies and economies of agglomeration. Regions have been told to plan for clusters and local innovation systems (DETR, 2000; DTI, 1998).

Once in government, thus, New Labour was quick to harness John Smith's original case for devolution on grounds of redistributing power that had become excessively centralised under the Conservatives, to an economic development imperative. The government established Regional Development Agencies (RDAs) as the strategic authority to deliver the new economic agenda. Although the RDAs came with a relatively small but rapidly growing budget, their remit was powerful. They identified priorities and pathways to regional prosperity, through their small, business-dominated Boards made up of unelected local dignitaries. Unsurprisingly, as elite bodies that quickly emulate and circulate fashion, the various RDAs came up with almost identical regional programmes (Lagendijk and Cornford, 2000)). Initiatives to identify and strengthen local clusters of inter-related industries and local supply chains, together with initiatives to enhance local innovation and learning networks, appeared in the programme of almost every RDA in the country.

The result has been a brave new economic localism based on the promise of local connectivity (in clusters and value chains, between institutions, and through local relations of trust and reciprocity). The key assumption is that regions can be a basic unit of economic organisation and increasing local returns in a new Britain of the regions. There is no understanding of inter-regional relations as a source of inequality or of broken local economic moorings as a result of secular processes of global integration.

The policy community has been quick to accept new academic writing arguing that the economics of the so-called knowledge economy favour regions that can link locally for competitive advantage. The core elements of the new economy, such as continual learning and innovation, a rich supply of knowledge workers and entrepreneurs, and trust and co-operation, are seen to be supported by spatial agglomeration and local networking. The latter is understood to allow firms to share costs and know-how as well as develop specialist expertise, while local ties of reciprocity are seen to secure inimitable social capital and tacit knowledge in a world of ubiquitous formal knowledge. Corporate prosperity and regional prosperity can thus be intertwined, as long as the institutional

framework for such endogenous growth – presumably including development agencies – is in place.

4.2 A regionally sequestered economy?

We believe that the new economic regionalism will fail to deliver regional equality. It will not address the spatial biases of national politics discussed earlier, and it will not stimulate endogenous growth in the regions. For the LFRs, the challenge of ‘development from below’ will be rather like trying to win a race on one leg (albeit with the help of a spanking new crutch from the Government in the form of RDAs).

One fundamental problem is that there is little evidence to support the claim that the trend is towards local clustering and localised learning. A rich body of empirical research on the geography of business linkage is now emerging, showing, if anything, the opposite trend. One study of 10,000 Swedish manufacturing firms finds, for example, that the effect of proximity to similar or related firms upon export competitiveness is marginal: 40–80 times smaller than the effect of access to local public goods offered by cities, and 50–100 times smaller than the effect of scale economies on export performance (Malmberg, Malmberg and Lundquist, 2000). Similar evidence from London shows that only 25 per cent of private-sector employment in London is in ‘businesses perceiving some advantage in proximity to related activities’ (Gordon and McCann, 2000: 523). These businesses tend to be in particular industries (eg financial and professional services or retailing and leisure) and in particular inner London areas (eg Soho, Covent Garden, City of London, City of Westminster) where clustering brings benefits such as shared intelligence, area reputation, and interaction potential. But for the vast majority of firms agglomeration is not a significant factor for business performance, very possibly a trend across the spectrum of British industry in different locations.

Other studies question the link between local networking and business creativity. Yet another London study (Jones, 2000) finds very little evidence of innovation based on informal social ties or co-operation between local firms. Instead, it finds that the prime sources for business innovation and performance are the firm’s internal know-how and

technological capacity and its access to external codified knowledge such as R&D and trade journals, competitor imitation, and client-based suggestions. Similarly, a study based on evidence from ten European regions (Sternberg and Arndt, 2000), finds product innovations to be shaped by intra-firm variables, rather than regional variables (even in a high-tech region such as Munich, where the metropolitan area matters, if at all, for access to R&D centres and highly qualified technical labour, rather than a tacit knowledge environment). Another study of knowledge-intensive firms in five city regions that are considered to be major 'islands of innovation' in the EU (Amsterdam, London, Paris, Milan and Stuttgart) finds the demanding suppliers and customers who stimulate innovation to be dispersed nationally and internationally (Simmie, 2001).

Interestingly, thus, the obsession with propinquity that has characterised *political* power in Britain, seems far less necessary for *business* success, despite all the talk about clustering. The policy community is wrong to think that localisation enhances business efficiency and competitiveness, for there has come to exist another, distanced, everyday geography of economic organisation. This is a geography of stretched corporate networks and flows of varying spatial reach and intensity. The history of modern industrial and corporate organisation, advanced transport and communications systems, and economic regulation (by both the state and other institutions) can be read in part as an attempt to free firms from the 'tyranny of proximity'. This has enabled firms to be competitive by drawing on a multi-scalar asset geography that includes local labour markets and workplace conventions, national and international suppliers and customers, globally sourced finance, virtual information networks and global distribution networks, and knowledge gathered from local communities, national sources of research and education, and internationally circulated information.

This is a *heterarchical* geography of organisation, with flow and global linkage built into the system and with corporate success tied to the ability of firms to link into and derive advantage from such a complex organisational field. This is the case even in highly localised business systems. Silicon Valley, for example, cannot be explained without recognition of the historical geography of US military spending on R&D, the

flows of migrant workers from Mexico, the expertise of software engineers in Taipei, Dublin and Bangalore, the presence of long supply chains and transnational firms, and complex global financial arrangements. The economic system thus conceptualised does not break down into neat parcels of territorial organisation; a world economy seen as a string of regional economies.

Instead, the economies of regions are best seen as constellations of firms, markets and institutions locked into a wide variety of trans-local networks, with few compelling reasons to fold into a system of local interdependencies. This is an understanding of regional economies which stresses the ability to make geographical connection, to think outside the territory, to understand the importance of learning and adaptation in strengthening those abilities. Regions are places where sites within networks of different spatial reach overlap, consequently the extent and duration of local returns is determined by the position and profitability of individual firms in their respective wider circuits of supply and exchange, by the spill-over effects of being in the given region (eg local wage effects or skill transfers), and by what might be extracted from them in the form of rents (eg corporate taxes put to other local uses, social responsibility obligations).

As sites within networks of varying geographical composition, regions are spaces of movement and circulation (of goods, technologies, knowledge, people, finance, information). This too is without local guarantees, partly because the flows are not territorially but organisationally structured, and partly because as flows they are difficult to fix or stabilise. The implication for regional policy is that serious consideration needs to be given to how local advantage may be derived from engagement in the economy of flows (e.g. by attracting international knowledge or cultural conventions or the location of logistics and distribution centres – see below).

Similarly, no institutional coherence or consensus should be assumed from the variety of public, private and intermediate organisations that collect in a heterarchically constituted region. The institutional variety is an expression of the different and often conflicting spatial and social interests, challenging staple ideas of governance in the new regionalism, such as joined-up government, institutional coordination, and consensus

around a common regional development project. The policy implication is that attempts to manage the regional economy as a coherent system will falter because the institutional culture itself does not assume or reflect this.

But, can these problems of endogenous growth not be tackled by regional actors adopting such an alternative economic approach? Even a shift of this nature will not tackle inter-regional inequality, for there is a second crucial problem, namely that the institutions of region-building (from RDAs to assemblies) have now become available to all regions, prosperous and disadvantaged (Morgan, 2002). British regional policy has changed from being a special measure for the LFRs to a tool available to all regions to raise their competitive potential. It is difficult to see how this change will close the North-South gap, since it offers neither hand-out nor hand-up to the LFRs (note the steady decline of regional incentives since 1979 when the Tories came into office, and note the progressive shift of EU regional policy coverage towards targeted areas of need, which leave large areas of the LFRs uncovered and also include areas in the prosperous regions).

With RDAs, Government Offices, and now assemblies, available to all the regions – and witness the pace at which London, the South East, and the Midlands have been gearing up – the only game available to the LFRs will be that of survival through competition. In the meantime, the benefits that flow to the South from the unchallenged concentration of power, state resources, and state expenditure, will continue to dwarf the small gains made by the LFRs through the ever-diminishing and spatially targeted financial and tax benefits. Ironically, therefore, in the absence of significant special measures for the LFRs, the current momentum in Britain for devolution could end up as the big New Labour constitutional innovation that legitimates uneven regional development through the idea of a nation of multi-speed regions, each developing at its own pace through its own institutions, with no obligation of spatial equity upon the Centre

4.3 A new regional policy framework

A different regional policy framework is needed, one that sees regions as part of a wider set of economic connections and institutional obligations. This has two important policy consequences. One is that local effort has to work through these broader connections and obligations. The other is that there can be no simple division of responsibilities between national and regional institutions.

Turning first to *regional-level action*, this should not focus solely on the economics of endogenous growth geared solely towards boosting competitiveness, but also work with an economics of circulation and global linkage, that, besides, does not reduce the problem of capacity-building to competitiveness goals. Three brief examples suffice to illustrate our argument.

First, in the area of innovation and learning, the current policy obsession with local knowledge transfer (e.g. between local businesses and local universities) needs to be re-examined. A perspective on knowledge as a mobile and relationally constituted asset of varied spatial reach (from the workplace to international IT and business networks), points in the direction of focusing on connectivity as a means of building the knowledge base and deciding on what works for local advantage, regardless of how ‘local’ the knowledge is. Such connectivity could include international exchanges of creative people and ideas and school visits abroad, the offer of higher education training opportunities out of the region, start-up opportunities for returning graduates or investing in science and technology festivals, and in general a cultural fabric that sustains and nourishes intellectual activity and social creativity. What matters is variety and critical mass – attending to the regional knowledge base in a broad and non-utilitarian way, geared towards building expertise and excellence in schools, colleges, universities, research laboratories, workplaces, the media, and the public culture in general. This is an act of building knowledge reserves without guarantees and without local forcings, recognising that the link between knowledge formation and economic returns is non-linear and unpredictable, but that distributed plenitude improves the selection environment for innovation.

Secondly, in the area of direct support for local businesses, an attentiveness to the economics of circulation might result in support for a variety of schemes that help businesses to boost national and international competitiveness, without assuming local externalities. These could range from facilitating access to rapid distribution and logistics networks, international trade fairs and market intelligence on export opportunities and suppliers, through to making available long-term and developmental funding (to compensate for a profit-based and audit-based funding culture) and offering diverse opportunities to firms to link into wider knowledge and learning environments (e.g. through regional applied research laboratories and databanks). Unlike the past, when regional policy did very little to extract regional benefits from inward investors¹, these incentives could be traded for certain guarantees on business conduct, in order to maximise local value-added. Instead of forcing local linkages with other firms and institutions that jar with the sourcing and support patterns of incoming firms, the regional agencies might expect firms (including inward investors) to contribute to, say, a new business initiatives fund, engage in community programmes, or exercise corporate social responsibility through profit-sharing and employee-involvement schemes. In this way, corporate profits can be used for region building without assuming that corporate profitability depends on building intra-regional alliances.

Third, the idea of regions as sites of circulation might at long last redirect attention to the reality that the bulk of regional economic transactions are related to servicing local demand – from meeting consumption and welfare needs to keeping people and objects on the move. This significantly raises the importance of demand-led regional growth and regeneration considerations, over the contemporary focus on growth through supply-driven boosts to competitiveness. It forces attention on how local patterns of servicing demand – the unglamorous everyday that underpins vast circulations of money, profit and investment in the local economy – could be harnessed for local benefit. It highlights the

¹ This problem continues to characterise regional grants in the UK, which have been recently criticised by the the National Audit Office (2003) and in a study undertaken by the Financial Times (Chung and Roberts, 2003) for their poor record on the volume and stability of job creation by inward investors, especially when set against the volume of grants received.

need to look at ways in which global supply chains can be harnessed for local advantage, say through local sourcing (without assuming that local sourcing naturally follows from clustering), tax revenue or employment standards for retailers, as it does the need to focus on circuits of provision that could draw on local resources, for example, in the welfare economy, the social economy, farmers' markets, local exchange schemes, second-hand markets, social needs-led regeneration (see Amin, Massey and Thrift, 2000, for a fuller discussion in the context of urban regeneration).

Turning to *national-level action*, it is clear that no re-imagination of regional economic strategy will succeed without sustained action from the Centre to combat regional inequality and the London-bias of the national policy framework. The heterarchic economy has its own political economy that rewards the actors who control the networked economy and those sites which originate or transmit the global flows, knowledge, and creativity. Nothing has changed to suggest that uneven development is no longer a feature of the economic system; inequalities in and between relational networks continue to map onto existing regional patterns of inequality.

This means that a government committed to a one nation economics has the obligation to secure a national policy frame that works for the regions. And importantly, the case for a new politics of regional attention must not be seen – as both the Tories and New Labour have tended to – as an act of 'redistribution' from a centre that is held rightfully to own the resource or as a concession from a 'governing' centre to a 'suppliant' or 'deserving' periphery that must show gratitude and become less slothful in the process. Instead, it must be seen as a way of mobilising the nation's full spectrum of resources, developing a varied and distributed national economic base, reducing the cost to the whole nation of regional inequality and over-heating in London, and respecting the right of the geographical majority to earn a living and lead a decent life in a place of their choice. The obligation "to the regions" is a matter of the equal worth of all in this nation regardless of where they find themselves, not a matter of duty to citizens of a North routinely typecast as a victim or deficient space.

What this requires is a serious commitment to dispersing national economic initiative and institutional capacity. Drawing on the arguments of section 3, what is at minimum needed is a genuine, thorough, regional “audit” and subsequent adjustment where necessary, of all macro-economic, “national”, and nominally a-spatial policies. The persistent unacknowledged regional bias to the south east must be addressed. Further, the commonplace assumption that any obstacle to further expansion in the South will encourage investment blight as firms react against freedom of locational choice, must be resisted. There is no reason why a combination of carefully researched controls on further expansion in the hotspots (e.g. on new industrial build), the guarantee of an efficient national transport and communications network, and indirect¹ incentives to nudge firms to locate in the North, will not work. Indeed, given the rising costs of transport congestion, environmental pollution, labour shortages, wage inflation, and prohibitive house prices in the South, the promise of the North could be welcomed by industry, and indeed may become necessary for further expansion of the national economy.

Big national infrastructure projects, such as new airports, rail terminals and telecommunications hubs, properly linked to an advanced and integrated national transport and communications infrastructure, can be scattered all around this small island without significant ‘distance decay’ effects from the country’s most populated areas. For example, in the context of the current heated debate on expanding Heathrow in preference for other hubs in the South such as Stanstead or Gatwick, we would argue that it makes sense to make airports in the North the new international transport gateways instead of forcing yet more unsustainable expansion of the South East hubs. Look at the possibilities that have been opened up in France by the TGV and by state-sponsored advanced telecommunications systems, which have brought hubs of the knowledge economy located in the South (eg Sofia Antipolis) and in the East (eg Grenoble) right into the centre of the nation’s science and technology infrastructure. And we mean national connectivity, not simply connectivity with London (or Paris, in the case of

¹ Direct financial incentives continue to attract investors whose commitment to job generation and security of employment falls short of the level of support received (National Audit Office, 2003)

France), because London should not be returned as the centre-point, sucking in benefits from a renewed national infrastructure. The transport and communications corridors between East and West, especially across the Pennines, together with those within the regions are in a parlous state and need upgrading (as recognised by EU regional funding which has become a major source of infrastructural improvement in the LFRs). This will make for a distributed economy, as mobility and contact within and between regions, without the pressure to go through, or to, London, becomes possible.

The naturalised assumption that London's growth is good for the nation must be displaced by the idea that the development of the regions is better for the nation and better for London. Nothing short of this will tackle the regional question. And, yes, this does mean special measures for the regions, but these need not be that far from what is already in place (although one exception, given earlier arguments, is that controls on how freely financial incentives are offered should be tightened). One possibility is an extension to the whole of the North of the community investment tax, which offers fiscal incentives for inner city trade, or of neighbourhood regeneration schemes which include incentives such as access to better finance for firms located in deprived neighbourhoods. Another possibility is to reduce sales taxes for firms based in the North, especially struggling smaller firms and manufacturing firms which remain a staple source of employment but which have been very badly affected by high interest rates. Over the years, the spatial remit of urban and regional policy has narrowed more and more, towards small and ultimately stigmatised deprived communities. There should be a "national" approach to the regional economy. One serious danger of the current combination of devolution with an endogenous growth theory approach to uneven development is that regions will end up both competing with and duplicating each other. A science park, or some such, in every part of the country. The result could be that London and the South East "win" even more conclusively than they do now. Rather, what might be better for all regions is a national-level strategy for the economy, negotiated perhaps through a Council of the Regions, in which major investment decisions with critical mass could underpin significant sectoral initiatives. Thus, in a nice

reversal of Daresbury, the North West might become the focus of major national scientific investment; Leeds might be favoured for finance; and so on. It is only with initiatives of this weight and significance that the current geographical imbalance can be countered. Whatever the particular solution chosen, it is clear that without serious and sustained government action to disperse national industrial effort, a revitalisation of the private sector in the North will remain all the more difficult.

Beyond regional incentives, an economics of dispersal aimed at serving the national interest, should include government and the public sector. This makes political sense, as we argue in the last section, but it also makes economic sense as an arm of a renewed regional policy. Unlike previous attempts, such relocation should do more than transfer only back-office jobs or non-strategic functions in an otherwise London-centred bureaucracy. The local effects of such decentralisation were limited not only because only lower grade activities tended to be transferred while control and power remained in London, but also because the rationale remained that of giving ‘manageable’ chunks of a national division of labour to the regions, instead of the entire national remit and responsibility. Now, the logic should be that of relocating entire ministries to the North, as well as the civil service, the judiciary, national bodies such as the Arts Council, and the Learned Academies and the Research Councils.

The geography of research funding in England is highly skewed, partly in consequence of the London-centrism of the relevant public bodies. The main grant awarding institutions, including the Research Councils, Office of Science and Technology, and the Higher Education Funding Council of England, are based in the South, and the distribution of expenditure to Northern Universities is disproportionately small. The centres of national excellence, so vital for success in the so-called knowledge economy, are primarily in the greater South East. The relocation of the grant awarding institutions, coupled to explicit regionalisation of their expenditure in an effort to create centres of national excellence around the country, would considerably strengthen the hand of individual regions in meeting the challenge of building a critical mass of knowledge resources along the lines discussed above.

The use of regional policy to disperse state and public institutions can achieve two significant economic impacts. First, it would give the regions the cachet, institutional resources, the fixed and recurrent investment, and the full range of skills, competences, and knowledge and learning capabilities that goes with the stewardship of a national resource. The regions would secure not only security of employment and income in particular areas of national significance, but also access to the range of resources, capabilities and knowledge in related chains of activity. Second, it would provide as strong a signal as any that the national economy can work as the amalgam of many sites of specialisation, with ‘even’ the regions of the North capable of carrying a distinctive role in the national and international division of labour.

To summarise, a reconsideration of the geography of the national economy signals multiple geographies of organisation and flow that transcend and disrupt regional territorial boundaries. Current regional policy thought and practice seeks to perfect the economics of sequestered growth, and because of this it will fail to reduce regional inequality. Our alternative rejects the assumption that regional failure is a regional problem and recommends a less sequestered economic regionalism and a strengthened national commitment to decentre the economy.

5 A dispersed polity

The new economic regionalism will not be effective without a serious attack on the highly centralised geography of power in Britain. So what can be done about this state of less and less affairs that goes with more and more concentration? Our first argument is that we need to move towards a *politics of circulation*. We need a radical attack on the centre-periphery structure of British politics. The political institutions of Britain would become lines on the land going to the people, rather than the people coming to them as supplicant. The space of the imperium would finally melt away.

Such a change requires more than a simple devolution of powers. We welcome almost any attack on the extreme centralism of British political life but there is a sense in which devolution, welcome though it might be, is a part of the problem as much as it is a

solution (more on this below). Not only do the levels of devolution proposed in the White Paper, *Your Region, Your Choice* mean that regions will still have no revenue-raising powers¹ and no control over health, education, police or transport² but, more importantly, devolution simply reproduces at another scale the hierarchical spatial relationship which has so bedevilled British politics. As Morgan (2002) has pointed out there is no automatic relationship between devolution and more democracy, and if the present reforms ends up creating a new level of bureaucracy and professional political class, without breaking out of the political forms that have produced apathy, disaffection and distrust among the electorate, then the chance of a new democratic opening will have been missed.

The changes in the nature of British political space that we advocate would need to be much more far-reaching than just devolution, therefore, and would demand at least three moves. The first necessary step in tackling the legacy of London rule is a comprehensive relocation of national public institutions to the regions, so that cities such as Manchester, Liverpool, Newcastle, Sheffield and Leeds too can conduct national affairs and gain from the benefits that follow. Of course, the most bold gesture, along the lines recently suggested by Paul Barker (2002), would be to shift the nation's political capital out of London, perhaps by relocating Parliament and "Westminster", together with the vast government-controlled political and media machinery that surrounds them, to Middlesbrough for a period, and then to Liverpool, perhaps even share premises with regional assemblies to minimise the cost of moving government around. The impact of this step on the national imaginary would be breathtaking (in every sense!). But, perhaps, this is a utopia that will flounder upon the very hard rock of in-built cultural inertia towards London's claim as political capital.

But, the prospect of "Whitehall" in the regions is more realistic. Historical precedent (eg the DSS to Newcastle, the DVLC to Swansea) does lend its weight to the

¹ Although, there seems to be growing momentum in this direction.

² To compensate, they will have 'significant strategic responsibilities', whatever they might be.

suggestion that whole Government Departments and whole sections of the civil service should be dispersed to cities around the country to carry out national duties from these cities. They might even be expected to help in regional regeneration. This could see the location of DEFRA in Carlisle or Exeter, working on national food and environmental standards, as well as local rural generation, of the Home Office in Birmingham or Leicester to signal and work for the multicultural nation, of the Department for International Development or the Ministry of Defence in Portsmouth or Plymouth, also entrusted to cement a new relationship of mutuality and respect between these post-colonial ports and the world's South. The possibilities are many, associated with the presence of new national responsibilities, top jobs, skill and expertise, increased demand, a local remit, and so on. This promises more comprehensive regional regeneration benefits than Gordon Brown's gestures in this direction towards the transfer of back office civil service functions to the regions.

The same principle should be applied to the nation's cultural institutions. Why automatically assume that new national museums and other cultural or sports projects financed by the public purse should be sited in London or its whereabouts? The Arts Council, the Millennium Commission, national sports stadiums, and countless other national bodies and projects could easily thrive at a distance from London. Many charities, for example, are located in the regions (eg the Rowntree foundation in York) and seem to be at no real disadvantage because of this. In any case, there is nothing to stop the new national bodies and projects that are run out of the regions opening a back office in London to facilitate networking in the Capital! Once the process is under way – the more it becomes 'normal' for national institutions to be located away from the Capital – the less need there will be to frame the debate on location in the language of centre versus periphery, and the less will working from the North feel like an act of banishment.

But the decentralisation of national institutions is not enough. The second move must therefore be to initiate a proper stance to the spatial structure of democracy. That means, above all, the movement of the key institutions of representative democracy around the country. Parliament must come visiting, rather than vice versa. What we foresee is a

progress of Parliament around the towns of Britain, rather like the courtly progress of previous centuries. Parliament would come to exist at many sites through the year, rather than just London. And its business would be conducted in such a way that the public could actually participate in debates. So, for example, we would be in favour of more business being conducted by randomly selected citizen juries who were given time to research and reflect on salient issues. Only in this way might the grip of London-centrism on the geography of political commentary be loosened.

Those who are locked into the mindset that national means London – strange though it sounds when put in these terms – will no doubt protest that the above proposals are unworkable, counter-intuitive, and potentially damaging by compromising London's locational advantages. But, a small territory and a highly mobile society such as Britain should be able to support a dispersed polity, joined up by an affordable, rapid and efficient transport and communications system (yet a dream to come true). It is certainly a better use of the currently under-utilised natural, human and built resources within the regions, it can only help to highlight what is already going on in the regions as national achievements (note the brave decision of the new Baltic Arts Centre in Gateshead to reject exhibitions that have already been shown in London, or the success of the Commonwealth Games in Manchester), and it can only ease the pressure on a congested, grid-locked and costly London. The complex geographies of a multi-centred and mobile society are already at work in other areas of social life: if national belonging in a multiethnic and multicultural Britain is increasingly capable of supporting multiple geographies of affiliation, and if business corporations can thrive from distributed supply chains and knowledge networks that no longer gather around a single site, then there is no reason why the state, and the public sector in general, cannot survive the test of serving the nation from the whole of the nation.

Such acts of dispersal would represent a radically new way of imagining the spatiality of the nation; no longer the norm of a centred nation with tributary obligations, but the promise of a multi-nodal nation. This amounts to a cultural shift that, within the regions recognises the deficiencies of supplicant politics, and within the nation at large

worries about the utter abnormality of national power and control so centralised in and near London.

5.1 Rethinking devolution

Serving the nation from the regions. This is the concept missing from current proposals on devolution. The Government's White Paper (DTLR, 2002) on assemblies for the English regions builds on the Welsh and London models of regional government, rather than offering a watered down version, as many feared. If voted in by a region, the 25 to 35 member assemblies will be funded by a relatively generous block grant from the Centre and run by a leader and cabinet, they will assume strategic responsibility for a region, and they will dominate institutional relations and have authority over economic development, planning, housing, transport, arts, tourism and sports, public health, rural policy and the environment. These assemblies will be far from toothless.

Though the promise looks impressive, devolution alone will not help to tackle regional inequality, because it will leave untouched the spatial grammar of politics – the pull of London and its elite – that has sustained this inequality. It will not give the regions a say over national affairs (or indeed over other regions), it will not secure regionalisation of national institutions, it will not in itself engender a fairer allocation of national capabilities and resources, it will not challenge the embedded power of the South, it can not alone ensure better guardianship of the local economy, and it might actually divert attention from the imperative of a dispersed national polity (by legitimating local control over local affairs). Devolution's logic of government of the regions by the regions – if that is all that happens – keeps intact the logic of government of national affairs from London.

In that sense, the devolution reforms promise little more than tributary rule. But even the scope of this seems restricted. The Government expects the assemblies to meet declared targets, conduct business in a certain way (eg be more task-oriented than a normal parliamentary chamber) and work with different government bodies in the regions, notably the Government Offices. New Labour's tendency to control, and the

much older colonial mentality to proscribe and prescribe ‘home’ rule when granted from the Centre, leave a strong imprint on the regional assemblies in this early stage of design.

5.2.1 A constrained democracy

The assemblies have been celebrated as an act of democratisation.¹ They devolve the regional remits currently held by central government, they plan for greater transparency and accountability, and they displace the recent history of rule through quangos by decision making by elected representatives. A constant refrain of both the Government and the wider campaign is that devolution will bring decision making closer to the people of the region. But what exactly does this mean? Primarily a certain kind of representative government, with the emphasis firmly on strategic planning and service delivery, rather than a desire for widened participation and democracy as a good thing in itself. The Government does not want the assemblies to be genuine parliaments, that is, chambers of deliberation and decision-making based on political argument, clashes of principle and engagement with diverse publics. Instead, rather like the task forces that have proliferated under New Labour in organising regional economic development (Pike, 2002), they are intended to be small, business-like elected bodies with business-dominated concerns that

¹ This explains why the reaction of various English regional campaigns to the proposals has been generally favourable. Doubts, when expressed, have concerned the depth and extent of devolution of powers. So, for example, the Campaign for a North East Assembly (CNA), which has led the national campaign in England over a ten year period, has expressed concern about the limited provision for civic input into decision making, the assembly’s restricted control of regional Government Offices and other public bodies (e.g. the Environment Agency, Forestry Commission, English Nature), the efficacy of a small assembly that expects only part-time inputs from non-cabinet members, and the emphasis placed on economic development as an assembly priority. Curiously, these criticisms amount to a desire for centralisation of regional power (increased assembly power over other institutions in the region) as well as greater democratisation (via a demand for more assembly members and greater stakeholder input into assembly’s decision making processes).

can get on with the job of delivering outcomes that enhance regional competitiveness and well-being. It is an elected technocracy that is sought, not decision-making on the basis of vigorous debate between diverse interests within a region.

Thus conceptualised, what is to stop the Leader and the Cabinet from becoming an all-powerful force in the region, as seems distinctly likely in a small and part-time assembly with a very small number of non-majority and non-party seats, with limited coverage of diverse interests in the region, and with only a consultative and advisory role for external bodies? What is to prevent the assembly from succumbing to the region's dominant political institutions or to the power play of those with greatest lobbying capacity? There is little in the current proposals to show that the centrism of rule by London will not be replaced by another centrism, now at regional level, and in the hands of a small executive supported by a large machinery of old (party) ties.

What will be gained in the name of democracy? We believe that if assemblies come to pass, they must style a new way of doing politics and act as a focal point for confronting diverse programmes and interests thrown up in the region at large. They should rekindle parliamentary democracy in new ways and they should be a conduit for participatory democracy. This requires:

- greater distribution of strategic and executive powers within the assembly itself, perhaps through specialist sub-committees composed of members from varied backgrounds
- provision for a much larger cross-section of elected non-party seats (which might include experts) in the assembly and minority interest representation
- active consideration of alternative proposals put together internally or by external bodies
- much greater involvement of civic organisations and other interest groups in policy formulation (bizarrely, the White Paper asks for ideas on how the civic sector can be brought into the policy process, when this crucial dimension should have been thought through prior to publication!)

- considerable use of public referenda, media debate, public consultations and electronic or postal polling over assembly decisions and their outcomes.

The assemblies must become precisely what the government does not want them to be – a talking shop and a visual space for unconstrained discussion and imagination of particular ways of life and particular programmes of being in the region. Only this will allow all possibilities to be ruled in, including such things as demands for greater corporate responsibility, green taxation, the economy of socially useful products, the thirty five hour week, workplace democracy, slow consumption, and programmes to combat unemployment, underemployment, low pay and poor conditions of work. What gets selected should be the product of what is placed in front of the assembly, the airing it gets within and beyond the assembly, and popular endorsement. The instruction for growth, competitiveness, efficiency, and social cohesion stipulated by the White Paper must be mediated through this process of deliberation, if the government is genuine about letting the regions shape their own future. No instruction should lurk in the background as the standard of the sensible adult who can castigate or ridicule the wayward child who opts for a programme that includes initiatives of an unexpected sort.

Emphasising the practice of democracy also means attending to the character of politics beyond the assembly. Both the campaign for the regions and the White Paper have a lot to say about the nature of the relationship and balance of power between the assembly and other institutions in the region such as the local authorities, other central government bodies, the quangos, and civic organisations. The interest varies from concern with joined-up governance to judgements about who should call the shots and who should be answerable to whom. On the government side, the focus is on the perfectibility of inter-institutional relations centred around the one main elected body – an exercise in governmentality. Within the broader campaign for devolution, the interest in inter-institutional relations is animated by the desire to brook elite power, and much attention is paid to how the assembly might incorporate diverse interests in the region. Here too, possibly inevitably, the discussion of regional democracy is telescoped through the assembly.

The consequence, in both cases, is the neglect of politics beyond the assembly as regional democracy is reduced to the architecture of regional governance. The impression given is that getting the institutional parameters right will resolve the democratic deficit in the regions. It will not, though, for at least two reasons. First, democracy is also a matter of the activity of the multitude of representative organisations and associations that exist beyond the world of formal politics. A confident regional democracy is one that encourages and nourishes such civic and associational pluralism, one that goes along with the (creative) friction generated by the dialogue and clash of different positions within and between the civic and (official) political arena. An assembly – and devolution in general – can only be one element of a process of democratisation based on engagement between autonomous equals. The current obsession with devolution has served to sideline these crucial questions of democratic practice.

Second, it has detracted from the vital issues of democracy related to everyday abuses of power and everyday inequality in the social and economic life of regions. The happy talk of devolution has forged the idea of a happy people, and certainly in the case of the debate on English regionalism, discussion of how everyday unhappiness will be tackled through devolution has been thin. But this omission cannot be excused, because in the end the test of devolution will lie in whether it can deliver better standards for those living in a region. If after devolution a public continues to complain that there is better air quality, working and living standards, educational opportunities, public and welfare services elsewhere, what difference will devolution have made? Put differently, at the very least devolution ought to be able to deliver a better deal to those who have materially suffered most from centralised power (both within the region and in the country at large).

To summarise, we are not against devolution in its own right, but against its use as a tool of bureaucratic efficiency and elite power, which is what the current proposals amount to. We also believe that it will simply place the politics of centre and periphery on a different register, by allowing the bigger and more general affairs of the nation to be resolved elsewhere and by reducing pressure on the state itself to resolve the regional

problem (devolution can be blamed for regional failure). Regional devolution does not remove the need for regional policy. Devolution has sidetracked the need to find ways of dispersing the nation and state power and of extending democracy throughout the fabric of British society in every available spatial and institutional configuration.

5.2.2 A mobile regional heritage

A final word on the politics of cultural arguments for regionalism. Devolution has been seen by its advocates as an opportunity to rekindle regional pride and to restore an important dimension of belonging alleged to have been lost in a world of larger and increasingly impersonal orders of affiliation and identity formation. Although in the main the campaign for English regions has been careful to avoid the language of nostalgia and cultural closure, in regions such as the North East and South West considerable effort has gone into fashioning a history of ‘pre-colonial’ autonomy and distinctive civic or folk traditions. We have no argument against the celebration of regional traditions, but we believe it is dangerous to ground arguments for regional citizenship in appeals to regional cultural identity.

At the most basic level, it is simply wrong to assume – which is what the argument amounts to – that only London and a small number of other large cities have become sites of multiple identities and cosmopolitan affiliation, while the regions remain rooted to tradition and local vernacular, in *regional* culture. Spatial mobility and cultural hybridity become the norm pretty much everywhere (admittedly in varying degrees for different classes, generations, and ethnies) as a consequence of travel, education, consumption, media engagement, the internet, global cultural integration, and so on. The result is that the identities and affiliations of people, wherever they live, are becoming multiple and mixed (regardless of what people say about themselves against others). Yes, even the North East has its share of cosmopolitans, minority ethnic groups with strong diaspora affiliations, people with no particular attachment to the region’s cultural history, practices forged in a global cultural habitat (from music to food and media), and a myriad of cultures and political affiliations that are not reducible to the local.

Regional cultures too, therefore, must be seen as heterogeneous and constantly evolving. They are not cast in aspic, but constantly made and remade through new influences and mixes. This is precisely why newcomers and new influences have as strong a right as old timers and old traditions to shape and claim a regional culture. A politics of regional belonging has to work with this cultural momentum, which is why it is wrong to draw on regional cultural heritage as a basis for deciding who counts. Regional citizenship should not be reduced to regional cultural identification. It must avoid even the hint of making people who do not identify with an imagined regional identity feel like outsiders, misfits, secondary citizens. It should not eclipse other everyday geographies of affiliation and identification, such as participation in transnational networks, national politics, global organisations and movements, the politics of the ether.

This alternative cultural imaginary points towards a *cosmopolitan regionalism*, not a regionalism of roots and indigeneity; one that draws upon an open sense of place and a politics of local *and* translocal engagement. As such, it normalises all in a region to claim the region, to participate in it, to shape its identity claims, jettisoning once and for all a politics of regional fixture based on the privileged demands of majorities, elites, old timers, those with local pedigree. Such an opening would rule in, as a *regional* question, also a politics of attention to the needs and rights of migrants, immigrants, itinerants, commuters, asylum seekers, families relying on remittances, the mobile in general who somehow seem to have been displaced, as belonging to some other space, in current devolution talk.

This way of imagining regional culture replaces the politics of territorial confinement that has come to dominate current debate on regionalism by a politics of connectivity based on the acceptance of regions as sites where diversity and difference are juxtaposed and where flows and networks of different spatial reach overlap. The reality that nodal connectivity with the rest of the world and its affairs is what makes a region should be reflected in the remit of regional politics, to include the right to manage national affairs, to influence what goes on elsewhere in the country, to allow others

elsewhere to buy into a regional programme if they empathise with it, to draw on experience gained from engagement in national and global struggles (where, for example, is there any talk of devolution tapping deep into the global expertise of local sites of varied international organisations and social movements?). This is a regional politics of global engagement for local benefit, a politics of empowerment without guarantees; a far cry from a politics of assemblies drawing on local experts and local sentiment to manage local affairs.

The obvious question that critics might ask of this vision of regional politics is what remains of local commitment. Our answer is an awful lot, but not the ethos of local community or cultural bonding that seems never far from the surface in current demands for devolution. What “remains” (and what stands to be created) is an ethos of local care based around the everyday and the lived material, of concern over the challenges of proximity between strangers, and of the quality of life in a place that structures so much of daily life. This is a regionalism of open debate, civic involvement, and yes, also Assembly discussions that address the gains and pitfalls of living in a region, from issues concerning the quality of the environment, housing conditions, welfare and transport, to those related to inter-ethnic and inter-cultural dialogue, the quality of the public sphere, the rights of residents and citizens, and the quality of public spaces.

The regional question goes far beyond the little concessions on offer in the current debate on devolution and region-building. Indeed, in the absence of both a systematic attack on the spatial concentration of power and a radical re-imagining of the nature of regions, the concessions will amount to little more than a pin-prick in tackling the alarming regional inequality and political centrism that currently exists in Britain.

6 Conclusion

Two themes are fundamental to all our arguments here. One is that in this age of geographical connectivity and flow we have to move away from a narrowly territorial view of the nation and its regions. Thinking the national space “relationally” means it is impossible to accept simple notions of regional economies, to accept tempting theories of

local clustering, or to work with inward-looking imaginaries of regional identity. The world is not like that. Thinking space relationally also makes it impossible seriously to pretend that the fate of regions, or their relative “performance”, is somehow autonomous to each. The regions of the country are deeply interconnected. We need to think in terms of interregional relations. Which leads to our second theme, which is that these interregional relations are economic, cultural, social, *and political*, and any serious attempt to address the gross geographical inequalities in this country has to work with all these instances of power. Crucially we need to rework the relational geography of politics.

In the end, the problem is one of valuing all equally. Modern democracies are getting better at providing solutions to certain aspects of this problem. But on other aspects (eg economic justice), it is possible to argue that they are farther away than ever. There have been some recent assessments. David Walker has presented a critique of the new localism – *In praise of centralism* (2002). We too have argued that localism is inadequate and may lead only to competition and further inequality. But the disenchantment with the centre, which is at the root of the new localism, is a response to the current nature of that “centre”. But, taking Walker’s argument a step further, we are not arguing for a redistributive centre, but for a wholly different geography of the national, which is not so spatially confined, that is, for a dispersed centre rather than a spatial centre. Again, David Beetham and colleagues have produced an assessment of *Democracy under Blair* (2002). But we would add to their proposals a much more radical approach to the geography of democracy and how we think about it. In particular, we have tried to show how the democratic options of the United Kingdom are hemmed in by a spatial structure which automatically invests certain citizens with a political voice which few others can have unless they are willing to join the London court and bow to its demands. It is time finally to get rid of the spatial relics of monarchy. The nation does not need to speak from one place.

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